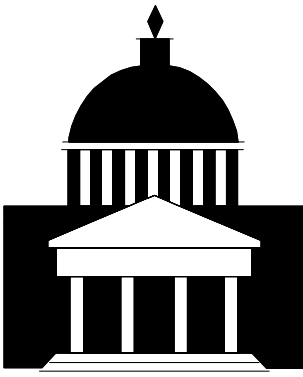


NJCFS Newsletter

OFFICE OF MANAGEMENT AND BUDGET
ACCOUNTING BUREAU

FALL 2003

Issue No. 42



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NEW ACCOUNTING BUREAU MANAGER

The OMB Accounting Bureau welcomes its new manager, Leslie Notor. Leslie has assumed the responsibilities of Betty Jane Eddowes who retired effective July 1, 2003. Leslie joins the Accounting Bureau with over 20 years of financial expertise from the private sector. For the last 4 years, Leslie was the Chief Financial Officer for a software development company in Manhattan. When necessary, Leslie can be contacted via email at Leslie.Notor@treas.state.nj.us or by telephone at 609-292-5040. When contacting Leslie through interoffice mail, please address your correspondence to Leslie A. Notor, Accounting Bureau Manager, OMB Accounting Bureau, PO Box 221, Trenton, NJ 08625-0221.

NEW ACCOUNTING OPERATIONS SUPERVISOR

John Ditri, a longtime OMB employee, retired from State service on April 30, 2003. Replacing him, effective June 16, 2003, is Patricia Leahey, a 21-year State employee, formerly with the Department of Transportation for 16 years. Pat's responsibilities include supervision of the Budgetary Control, Grants Analysis and Audit Compliance Sections within the Accounting Bureau. Those three sections comprise the Accounting Operations Unit. Pat and Undra Biggs, the unit secretary, can be reached at 609-292-8944.

See page 5 of this newsletter to learn the new assignments of the Budgetary Control staff.

PRIOR YEAR LIABILITIES AND CLAIM CITATIONS



The Fiscal Year 2004 Appropriations Act contains provisions authorizing the Director of OMB to process payments to liquidate prior year liabilities and to pay claims. When these transactions are submitted to OMB for approval, they should include the following citation information:

**Prior Year Liabilities -
P.L. 2003, Chapter 122, Section 31**

**Claims -
P.L. 2003, Chapter 122, Section 38**

The accounting transactions used to make these payments **should not be fully approved** by the agency. OMB will apply the final level of approval to the transaction when the Director Of OMB authorizes payment. Documentation packages for these transactions should be submitted to Michael W. Henry, OMB - Accounting Bureau, 33 West State Street - 5th Floor, P.O. Box 221, Trenton, NJ 08625. Questions related to these payments should be directed to Michael at Michael.Henry@treas.state.nj.us or at 609-292-0051.

REINSTATEMENT OF CANCELED ENCUMBRANCES

The agencies are reminded that any requests for reinstatement of encumbrances closed during the fiscal year end process must be received by the Accounting Bureau by the close of business, Friday, September 19, 2003.

Requests for reinstatement will only be honored under extreme circumstances. Requests must include the vendor number, vendor name, agency number, obligation number, the reinstatement amount, and the reason for reinstatement with specific details. The requests must be sent to Leslie A. Notor, Accounting Bureau Manager, OMB Accounting Bureau, PO Box 221, Trenton, NJ 08625.

Reports of canceled encumbrances were distributed per the list indicated on the online NJCFS message screen GMSS. GMSS also provides detailed information indicating the types of encumbrances canceled.

INTERFACE MONITORING AND AGENCY PAYMENT VOUCHER UPLOADS

Michael Henry has assumed the function of monitoring agency batch interfaces and performing agency payment voucher uploads. All interface/upload approval sheets should be faxed to his attention at 609-984-5210. Contact Mike regarding your upload or interface at Michael.Henry@treas.state.nj.us or 609-292-0051. Upload files should still be sent to the email address of AAIUNIT@treas.state.nj.us.

INTRA-GOVERNMENTAL TRANSACTIONS VS TRANSFERS OF APPROPRIATION

Accounting Operations has observed agency misuse of Intra-governmental Payment Vouchers (UAs and AVs) when Transfers of Appropriations (TAs) should have been used. Circular Letter 95-08-OMB details procedures for intra-governmental payments between State government units. Intra-governmental payments are most frequently made in cases where a "buyer/seller" relationship exists between government units (for example, an agency pays another agency for data processing services - buyer records an expenditure and the seller records revenue) or where a government unit is reimbursing another government unit for expenditures made on behalf of the reimbursing unit (for example, an agency reimburses the Treasury central account for postage and telephone expenditures made on their behalf - the reimbursing agency records an expenditure and the Treasury central account records a decrease to expenditures). UAs and AVs are accounting transactions that are used to properly reflect expenditures, expenditure reimbursements and revenues in appropriate accounts.

Transfers of Appropriations (TAs) are budgetary transactions that move budget authority from one account to another. A transfer results in budget authority residing in the appropriate account from which expenditures should be made. The impact of a transfer is evident on the Appropriations (APPR) Table – budget authority is increased in the "to" account and decreased in the "from" account. Language exists in the Appropriation Handbook to permit an agency to request the transfer of funds from one item of appropriation to another item of appropriation subject to specific conditions. TA transactions always require Office of Management and Budget (OMB) approval and, under certain conditions, Office of Legislative Services (OLS) approval. Circular Letter 98-12-OMB provides general guidelines concerning transfers.

Intra-governmental transactions should never be used as a mechanism to circumvent the Transfer of Appropriation process and the required approvals of OMB and OLS. The UA or AV should not be used to inappropriately shift spending authority via increasing expenditures

in an account with sufficient budget authority and decreasing expenditures to provide additional spending authority in an account that had insufficient funding. When additional budget authority is needed, a transfer should be processed to move budget authority and allow expenditures to be recorded in the proper accounts.

Circumventing the transfer process by using an intra-governmental transaction is considered a serious violation of the Appropriations Act. OMB has increased its monitoring efforts for UA and AV transactions and agencies found to be in violation will be subject to audit by both OMB and the Office of the State Auditor.

REMINDER TO MOVE POSITIONS

A series of recently instituted Inbound Payroll Crosswalk Translation (IXPR) table exception reports confirm that agencies should make every effort to move an employee's position to the proper account within the Personnel Management Information System (PMIS).

When a position is not moved to the correct account and the employee's original account is inactivated on NJCFS or not loaded to NJCFS for the new budget fiscal year, payroll charge transaction errors occur. Agency fiscal office personnel often respond to these errors by permanently revising the account code translation on IXPR so that the old personnel/payroll account crosswalks to a new NJCFS account. This action bypasses the PMIS system and negatively impacts appropriation level salary projections generated from OMB's Position system.

A number of agency fiscal offices have already been contacted regarding this situation. OMB will continue to contact agencies whose invalid translations appear on the IXPR exception reports.

HOLD CHECKS - UPDATE

The Accounting Bureau is now in the process of reviewing the agency responses to the usage of hold checks for CY 2002. Many agencies have already been contacted in follow-up to their written responses. In some cases, additional information is being requested, or the agency is being asked to improve or curtail its hold check practices.

As reported previously in the newsletter, OMB is concerned with the high number of hold checks because of the additional cost and increased burden on agency internal controls. Recent Office of Legislative Services audits have indicated that agencies need to improve internal controls when handling hold checks. OMB therefore congratulates all agencies that have created internal procedures that limit the number of hold checks being generated by their respective divisions.

When hold checks are justified, it is important that the proper check category code is applied so that the purpose of a hold check is easily identifiable. OMB Circular Letter 94-17-OMB can be reviewed to determine valid reasons for hold checks. The current check category codes and their descriptions can also be found on the online Check Category (CCAT) table.

Agency responses, which note recurring hold check usage for a specific purpose (property closings, serving of court papers, etc.), are being recorded by the Accounting Bureau for future reference.

QUESTION AND ANSWER



- Q. Can you explain why the uncommitted balance in the dedicated (4xx appropriation source) account does not carry forward?
- A. Complex monthly and year-end automated programs determine the amount of uncommitted balance to be carried forward, based on the appropriation type and budget authority option assigned to each account. Appropriation accounts that receive budget authority based on estimated receipts are recalculated based on actual receipts to determine the correct amount to carry forward. The carry forward amount is automatically adjusted where actual receipts do not meet the estimated receipts established in the account (this difference is known as the reduced unrealized revenue amount). Although you have an uncommitted balance in your account, estimated receipts created it. Since your account does not have sufficient actual receipts at this time to support any of the uncommitted balance, it will not carry forward.

STAFF ASSIGNMENTS IN ACCOUNTING OPERATIONS - BUDGETARY CONTROL

The Budgetary Control Unit is primarily responsible for assisting agencies with questions regarding budgetary transactions (TA's, AP's and RB's) and revenue issues (CR's, IN's and RM's). Below is the updated contact list.

Patricia Fatatis – Section Supervisor, Budgetary Control/Travel 984-5207

Education
Health and Senior Services
Treasury
Interdepartmental

Michael Bell – 292-4826

Agriculture
Banking & Insurance
Community Affairs
Environmental Protection
Labor
Judiciary

Judy Chen – 292-8964

Technical Support

Lynn Armano – Section Supervisor, Budgetary Control/Training 984-7794

Human Services
Law & Public Safety

Joe Borbone – 984-5206

Transportation
Chief Executive
Legislature
Personnel

Michael Poretti – 292-8606

Military & Veterans Affairs
Corrections
State

Linda Campbell – 292-6391

NJCFS Training Coordinator

All questions regarding reserves or reverts, budget authority options, or carry forward language can be directed to either Patricia Fatatis or Lynn Armano. Any questions relating to travel can be directed to Michael Bell.

ASSOCIATION OF GOVERNMENT ACCOUNTANTS (AGA) MEMBERSHIP

The Association of Government Accountants (AGA) is an organization with over 90 chapters nationwide. It is an educational organization dedicated to the enhancement of public financial management. It has been instrumental in developing accounting and auditing standards and in generating new concepts for the effective organization and administration of financial management functions. As a result of independent research and analysis of all aspects of government conducted by the AGA, the organization has become recognized as a leading advocate for improving the quality and effectiveness of government fiscal management.

AGA membership offers numerous valuable benefits to the individual in the following areas:

- **EDUCATION** - Continuing professional education (CPE) has long been provided by the AGA through a series of local chapter presentations, seminars and symposiums as well as nationally sponsored workshops and conferences. These are designed to address topics of interest and concern to financial management professionals in all levels of government and provide CPE credits;
- **CERTIFICATION** - The Certified Government Financial Manager (CGFM) program is strongly supported by the AGA. CPE credits awarded for attendance at monthly AGA meetings, as well as for participation in the wide variety of educational presentations at the local and national levels, satisfy the requirements for continuing education of the CGFM;
- **COMMUNICATIONS** - All AGA members receive the *Journal of Government Financial Management* in which issues such as emerging technology, auditing and the ever-evolving federal/state partnership are discussed by expert practitioners in various disciplines. The Trenton AGA Chapter also publishes a monthly newsletter whose contributors include financial experts from the public and private sectors of the local region;

- **ACCESS AND NETWORKING OPPORTUNITIES** - AGA membership provides individuals with the opportunity to consult with the best in the field as they come in contact with other government financial management professionals in the area. In recent years the Trenton Chapter has hosted many distinguished individuals as speakers at their events. These have included State Treasurer John A. McCormac, Charlene Holzbaur, Director of OMB, Trenton Mayor Douglas Palmer as well as other distinguished representatives of the government, academic and private sectors;
- **DISCOUNTS** - Members save on registration fees for AGA conferences, seminars and workshops as well as reduced rates when attending the monthly dinner meetings.

An application for membership can be found on pages 7 and 8 of this newsletter or at <https://24.104.71.15/membership/downloads/membershipapplication.pdf>. Questions concerning membership and completed applications should be directed to:

Kathleen Carter
Department of Environmental Protection
Financial Operations
428 East State Street - PO Box 420
Trenton, NJ 08625
(609) 777-4093





*Advancing
Government
Accountability*

Association
of Government
Accountants

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Alexandria, VA 22301

PH 703.684.6931
TF 800.AGA.7211
FX 703.548.9367

www.agacgfm.org
agamembers@agacgfm.org

Membership Application

☐ New Member ☐ Check here if renewing

I. Name & Mailing Address

☐ Mr. ☐ Mrs. ☐ Ms. ☐ Dr. ☐ Prof.

☐ male / ☐ female

Preferred Address

Name FIRST	LAST	MIDDLE
Address		Apt/Suite#
City		State/Province
Zip/Mail Code		Country
<input type="radio"/> Home <input type="radio"/> Office Address		
Business Phone		Business Fax
Home Phone		
E-mail		

Second Address

Address		Apt/Suite#
City		State/Province
Zip/Mail Code		Country

II. Business Information

Job Title	Dept.
Organization	

Employer: (Government):

☐ Federal ☐ State ☐ County ☐ City ☐ International
☐ Private ☐ Academia ☐ Student ☐ Retired ☐ Private International

Responsibility Area:

☐ Accounting ☐ Budgeting ☐ Financial Management ☐ Management ☐ Academia
☐ Contract Management ☐ Grants Management ☐ Program Management ☐ Administration ☐ Consulting
☐ Information Systems ☐ Retired ☐ Auditing ☐ Finance ☐ Legal
☐ Student ☐ Other _____

How did you hear about AGA?

☐ Friend/Co-Worker ☐ AGA/Chapter ☐ AGA Conference ☐ Employer ☐ AGA Website
☐ CGFM Program ☐ Internet Search ☐ Chapter Meeting ☐ AGA Publication ☐ Direct Mail

Age:

☐ Below 20 ☐ 21 – 30 ☐ 31 – 40 ☐ 41 – 50 ☐ 51 – 60 ☐ 61 and above

Please list any other financial management or accounting associations you are a member of:

Education:	Highest degree attained:	Accreditation and Certificates:
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III. Sponsor's Name

(if applicable)

Member ID #

IV. Membership Data/Dues

Please choose a membership category and fill in the appropriate dues from the list on the back of this application. Retired? Call the AGA Customer Satisfaction Center at 800.AGA.7211 to find out about our retired membership category.

• **Full Government**—\$90/year—This class of membership requires three or more years of government experience, involving the professional performance of financial management activities in an operational, administrative and/or supervisory capacity. This class is also available to individuals with similar experience outside the government who are engaged in educational activities having the same objectives as the Association, or who have made a contribution toward the improvement of government financial management.

• **Private Sector**—\$150/year—This class of membership is available to individuals working for commercial activities/ventures that are actively engaged in and support AGA's purpose and objectives.

• **Early Career**—\$45/year—This class of membership is available to government employees with less than three years experience.

• **Student**—\$30/year—This class of membership is available to college/university students.

Primary Chapter	Dues
Additional Chapter Membership(s) <i>Optional</i>	Dues
	Dues

(please refer to list on the reverse side)

V. Method of Payment

☐ Check enclosed (make checks payable to AGA)

Charge to my: ☐ VISA ☐ MasterCard ☐ AMEX ☐ Discover

Total Amount Enclosed	
Card Number	Expiration Date
Signature	

Twenty-three percent of national dues pay for a member's subscription to *The Journal of Government Financial Management*.

Source Code 101



F = Full Government Member
P = Private Sector Member
E = Early Career Member
S = Student Member

CHAPTER F/P E S

ALABAMA

Montgomery 10.00 10.00 5.00

ALASKA

Alaska Capital 10.00 10.00 -0-

ARIZONA

Phoenix 5.00 5.00 3.00

ARKANSAS

Central Arkansas 5.00 5.00 5.00

CALIFORNIA

Central Coast 5.00 5.00 5.00

Inland Empire of CA 10.00 10.00 10.00

Los Angeles 5.00 5.00 5.00

Los Angeles Civic Center 5.00 5.00 5.00

Orange County 5.00 5.00 1.00

Pasadena -0- -0- -0-

Silicon Valley 5.00 5.00 5.00

Sacramento 3.50 3.50 3.50

San Diego 7.50 5.00 2.50

San Francisco 6.00 6.00 6.00

COLORADO

Denver 5.00 5.00 5.00

CONNECTICUT

Bridgeport 3.00 2.50 1.00

Hartford 5.00 5.00 5.00

DELAWARE

Dover Capital 10.00 10.00 5.00

DISTRICT OF COLUMBIA

Washington, D.C. 10.00 10.00 10.00

FLORIDA

Space Coast 4.50 4.50 2.25

Tallahassee 5.00 5.00 5.00

GEORGIA

Atlanta 5.00 5.00 5.00

GUAM

Guam 5.00 5.00 5.00

HAWAII

Hawaii 5.00 5.00 -0-

IDAHO

Idaho Centennial -0- -0- -0-

ILLINOIS

Chicago 7.00 7.00 7.00

Springfield 7.50 7.50 7.50

Quad Cities -0- -0- -0-

INDIANA

Central Indiana 5.00 5.00 5.00

Indianapolis 5.00 5.00 5.00

Annual Chapter Dues Table

IOWA

Des Moines 5.00 5.00 5.00

Quad Cities -0- -0- -0-

KANSAS

Topeka -0- -0- -0-

KENTUCKY

Central Kentucky 5.00 5.00 5.00

JAPAN

Japan -0- -0- -0-

LOUISIANA

Baton Rouge 5.00 5.00 5.00

New Orleans 5.00 5.00 5.00

MAINE

Maine 10.00 5.00 5.00

MARYLAND

Baltimore 5.00 5.00 5.00

Montgomery/Prince Georges 8.00 6.00 -0-

MASSACHUSETTS

Boston 7.50 7.50 7.50

MICHIGAN

Detroit 5.00 5.00 5.00

Greater Lansing 7.50 5.00 5.00

MINNESOTA

Minneapolis/St. Paul 5.00 5.00 5.00

MISSISSIPPI

Jackson 5.00 5.00 5.00

West Central Mississippi -0- -0- -0-

MISSOURI

Kansas City -0- -0- -0-

Mid-Missouri 10.00 10.00 10.00

St. Louis -0- -0- -0-

The Ozarks 5.00 5.00 5.00

MONTANA

Lake Missoula 10.00 10.00 10.00

NEBRASKA

Lincoln 7.50 7.50 7.50

Omaha Metro Area 10.00 10.00 10.00

NEW JERSEY

Northern New Jersey 7.50 7.50 7.50

Trenton 5.00 5.00 2.00

NEW MEXICO

New Mexico 10.00 10.00 10.00

NEW YORK

New York City 5.00 5.00 5.00

New York Capital -0- -0- -0-

NORTH CAROLINA

North Carolina Triangle 7.50 7.50 7.50

NORTHERN MARIANA ISLANDS

Northern Mariana Islands -0- -0- -0-

OHIO

Cincinnati 5.00 5.00 5.00

Cleveland 5.00 5.00 5.00

Central Ohio 5.00 5.00 5.00

Dayton 5.00 5.00 5.00

OKLAHOMA

Oklahoma City 7.50 7.50 5.00

OREGON

Portland 5.00 5.00 5.00

PENNSYLVANIA

Central Pennsylvania 5.00 5.00 5.00

Philadelphia 5.00 5.00 -0-

PUERTO RICO

Puerto Rico 10.50 10.50 7.50

TENNESSEE

Chattanooga 10.00 10.00 -0-

East Tennessee 7.50 7.50 7.50

Nashville 5.00 5.00 5.00

TEXAS

Austin 5.00 5.00 5.00

Dallas 5.00 5.00 2.50

Fort Worth 5.00 2.50 2.50

Houston 5.00 5.00 5.00

San Antonio 5.00 5.00 5.00

UTAH

Northern Utah 5.00 5.00 5.00

VIRGINIA

Northern Virginia 10.00 10.00 10.00

Richmond 5.00 5.00 5.00

Roanoke 5.00 5.00 5.00

Virginia Peninsula 6.00 6.00 6.00

WASHINGTON

Central Washington 5.00 5.00 5.00

Mid-Columbia Basin 7.50 7.50 7.50

Northwest Inland Empire 5.00 5.00 5.00

Olympia -0- -0- -0-

Seattle 5.00 5.00 1.25

WISCONSIN

Southern Wisconsin -0- -0- -0-

STUDENT AFFILIATE CHAPTERS

Old Dominion University N/A N/A 6.00

Norfolk State University N/A N/A -0-

Please call AGA's Customer Satisfaction Center at 800.AGA.7211 if you do not see a chapter listed in your area.

*Dues subject to change without notice.

Updated April 2003.